

IN THE UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF TEXAS  
FORT WORTH DIVISION

IN RE:

**Little Rock Urban Air, LLC**  
82-4410247  
P.O. Box 101734  
Fort Worth, TX 76185

**Debtor.**

Case No.: **24-40610-MXM-11**  
Chapter: **11**

DEBTORS' SUBCHAPTER V STATUS REPORT  
[11 U.S.C. § 1181(c)]

TO THE HONORABLE UNITED STATES BANKRUPTCY COURT:

**COMES NOW** Little Rock Urban Air, LLC, debtor and debtor in possession in the above-styled and numbered cases ("**Debtor**") and would respectfully show the Court as follows:

I. **BACKGROUND**

1. This case was commenced by the filing of a voluntary petition under Chapter 11 of the United States Bankruptcy Code on **February 22, 2024** (the "**Petition Date**") as a small business case as that phrase is defined in 11 U.S.C. § 101(51C).

2. The First Meeting of Creditors is scheduled for **March 29, 2024**.

3. Katharine B. Clark is the duly appointed SubChapter V Trustee in these bankruptcy cases pursuant to 11 U.S.C. § 1183 ("**SubV Trustee**").

## II. DEADLINES

4. Sections 1181-1195 of Title 11 of the United States Code ("SBRA") is intended to "streamline the process by which small business debtors reorganize and rehabilitate their financial affairs." Report of Committee on the Judiciary, House of Representatives, Report 116-171, 116th Cong., 1st Sess., on Small Business Reorganization Act of 2019, page 1. As such, there are certain deadlines that must be achieved, which deadlines may be extended only if "the need for an extension is attributable to circumstances for which the debtor should not justly be held accountable." See e.g. 11 U.S.C. §§ 1188(b) (court status conference within 60 days of the petition date), 1188(c) (debtor shall file and serve a report on efforts undertaken to obtain a consensual plan 14 days prior to the § 1188(b) status conference), and 1189(b) (debtor shall file a plan within 90 days of the petition date).

5. The Court, in accord with the foregoing, filed *Scheduling Order and Notice of Status Conference* thereby establishing the deadline for filing and serving this Report [Docket Entry No. 15].

6. The Section 1188 and 1189 dates and deadlines are as follows:

Status Conference: April 11, 2024  
Debtor's Report: March 28, 2024  
Plan filing deadline: May 22, 2024

7. The deadlines for filing proofs of claim remain unaltered and are as follows:

Deadline for non-governmental entities: May 2, 2024  
Deadline for governmental entities: August 20, 2024

## III. OPERATIONS

8. Debtor is a Texas corporation, established in February 13, 2018, which currently operates from Little Rock, Arkansas.

9. Debtor is an Urban Air Adventure Park franchisee through which it offers endless fun for kids of all ages. Though attractions the Debtor provides a safe and fun environment where kids can be active, connect socially, and feel special.

10. The Debtor operates under a franchise agreement by and between itself and UATP Management, LLC ("**Franchisor**"). It is critical to the success of this chapter 11 case that the franchise agreement remain in place.

#### **IV. OFFER TO ACHIEVE CONSensual PLAN OF REORGANIZATION**

11. One of the objectives of SBRA is to facilitate a consensual plan of reorganization by and between the debtor and her creditors. This Report is filed and served upon all interested parties in an effort to achieve that goal.

#### **V. PLAN PROPOSAL**

12. The following is the Debtor's initial plan proposal for its creditors and is **subject to Federal Rule of Evidence 408**.

##### **Summary of Proposed Plan Treatment**

##### **Unclassified Administrative Expense Claims:**

<b>Type</b>	<b>Estimated Amount</b>	<b>Treatment</b>
Professional Fees of DeMarco Mitchell, PLLC	\$10,000.00	Monthly, after the effective date, in an amount to be agreed upon.
SubV Trustee	\$3,500.00	Monthly, after the effective date, in an amount to be agreed upon.

##### **Priority Tax Claims:**

<b>Description</b>	<b>Estimated Amount</b>	<b>Date Assessed</b>	<b>Treatment</b>
n/a	n/a	n/a	n/a

**Secured Claims:**

<u>CLASS</u>	<u>DESCRIPTION</u>	<u>IMPAIRED</u>	<u>METHOD OF PAYMENT</u>	<u>ESTIMATED ALLOWED CLAIM</u>	<u>ESTIMATED DISTRIBUTION</u>
Class 1A	Secured <i>Ad Valorem</i> Tax Claims	YES	If monies are owed, paid in full and amortized over 5 years from the Petition Date at 12%	unknown	unknown
Class 1B	Ascentium Capital	YES	Paid full amount of allowed secured claim	\$228,272	\$228,272 plus interest

**General Unsecured Claims:**

<u>CLASS</u>	<u>DESCRIPTION</u>	<u>IMPAIRED</u>	<u>METHOD OF PAYMENT</u>	<u>ESTIMATED TOTAL CLAIMS</u>	<u>ESTIMATED DISTRIBUTION</u>
Class 3	General Unsecured Claims	YES	Paid from revenue	\$970,000	Approximately 25% of allowed claim

**VI. CONCLUSION**

The Debtor is asking you to consider the foregoing proposal and provide feedback in order to facilitate the confirmation of a consensual plan.

Respectfully submitted,

Dated: **April 8, 2024**

/s/ Robert T. DeMarco

**DeMarco•Mitchell, PLLC**

Robert T. DeMarco, Texas Bar No. 24014543

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***Proposed Counsel for Debtor and Debtor in Possession***

**CERTIFICATE OF SERVICE**

The undersigned counsel hereby certifies that true and correct copies of the foregoing pleading and all attachments were served upon all parties listed below in accordance with applicable rules of bankruptcy procedure on this **25<sup>th</sup> day of March, 2024**. Where possible, service was made electronically via the Court's ECF noticing system or via facsimile transmission where a facsimile number is set forth below. Where such electronic service was not possible, service was made via regular first-class mail.

**DEBTOR**

**Little Rock Urban Air, LLC**

P.O. Box 101734  
Fort Worth, TX 76185

**TRUSTEES**

**Office of the United States Trustee**

1100 Commerce Street  
Room 976  
Dallas, TX 75202

**Behrooz P. Vida -SBRA V**

The Vida Law Firm, PLLC  
3000 Central Drive  
Bedford, TX 76021

**ADDITIONAL PARTIES IN INTEREST AND/OR PARTIES REQUESTING NOTICE**

**Simmons Bank**

c/o Mike Menton  
SettlePou  
3333 Lee Parkway  
Eighth Floor  
Dallas, Texas 75219  
Email: mmenton@settlepou.com

**SEE ATTACHED MATRIX**

/s/ Robert T. DeMarco

**DeMarco•Mitchell, PLLC**

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Label Matrix for local noticing

0539-4

Case 24-40610-mxm11

Northern District of Texas

Ft. Worth

Mon Apr 8 23:14:11 CDT 2024

City of Pasadena

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c/o Perdue Brandon Fielder et al

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Elisa Fox

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Chattanooga, TN 37405-0429

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1100 Commerce St. MC 5027DAL

Dallas, TX 75242-1100

Bowman Station Properties, LLC

5507 Ranch Drive

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Little Rock, AR 72223-0043

Crowley ISD

% Perdue Brandon Fielder Et Al

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Charlotte, NC 28272-1087

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Little Rock, AR 72201-3933

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Dallas, TX 75202-3304

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Naperville, IL 60564-9005

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Accounts Receivable Customer Service  
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Winston Salem, NC 27105-3400

Pulaski County Assessor's Office  
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Little Rock, AR 72201-2340

Republic Services  
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Fogelsville, PA 18051-5000

SW Fort Worth Urban Air, LLC  
Urban Air Adventure Park  
5425 Columbus Trail  
Fort Worth, TX 76123-2982

(p)SIMMONS BANK  
ATTN CONSUMER DEFAULT DEPARTMENT  
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Summit Utilities Arkansas  
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C/O Office of the Attorney General  
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Robert Thomas DeMarco  
Robert Demarco  
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The preferred mailing address (p) above has been substituted for the following entity/entities as so specified by said entity/entities in a Notice of Address filed pursuant to 11 U.S.C. 342(f) and Fed.R.Bank.P. 2002 (g) (4).

Ascentium Capital  
23970 Hwy. 59N  
Kingwood, TX 77339

Simmons Bank  
501 South Main Street  
Pine Bluff, AR 71601

(d)Simmons Bank  
PO Box 733  
Union City, TN 38281

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(u)Small Business Administration	End of Label Matrix	
	Mailable recipients	53
	Bypassed recipients	1
	Total	54